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# A Tale of Two Normalizations: Israeli Normalization with the United Arab Emirates (UAE) and Bahrain – Part II

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Bahrain and Israel signed their "Declaration of Peace, Cooperation, and Constructive Diplomatic and Friendly Relations" on September 15, 2020; the "Treaty of Peace, Diplomatic Relations and Full Normalization Between the United Arab Emirates and the State of Israel" was signed on the same day. Since then, bilateral relations between the two states and Israel have rapidly progressed, with many more issue-specific agreements signed. The Negev Summit on March 28, 2022, which was attended by Bahrain, U.A.E., Egypt, and Morocco, as well as the United States, symbolized a maturing and coalescence of the regional normalization processes between Israel and conservative Arab states. A follow-up to the Negev Summit took place in Manama on June 27, 2022 and the steering committee, which was chaired by Bahraini Undersecretary for Political Affairs Sheikh Abdullah bin Ahmed Al Khalifa, formed working groups on security, health, education, tourism, food and water security, and energy.<sup>1</sup>

<u>A previous paper</u> addressed recent developments in the foreign policy of U.A.E. which impact on the current status of relations with Israel, as well as recent developments in the two states' bilateral relations. This paper will look at the context and content of relations between Israel and Bahrain, and analyze the overall state of normalization in the region at this stage.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> "Negev Forum Steering Committee Joint Statement," Media Note, Office of the Spokesperson, U.S. Department of State, June 27, 2022.

<sup>&</sup>lt;sup>2</sup> A recent visit to Bahrain, as well as Dubai and Abu Dhabi, afforded me additional insights into thinking in these countries regarding regional strategic, political and economic dynamics, as well as the normalization with Israel (and its challenges).

#### Bahraini Interests

Bahraini rationales for relations with Israel may be similar to those of U.A.E., but their relative weights are quite different. Strategic and security considerations were important for Abu Dhabi, especially the perception of Israel as a balancer to Iranian power; an ally in the struggle against political Islam; part of an emerging regionally-based conservative security architecture; a source for security technology; and, a key instrument in maintaining relations with the U.S. However, for the Emirates, the improved relationship with Israel always had a significant economic, and even ideological component: U.A.E., reshaping their economy from an energy-dependent one to one which is global and technological-, service- and trade-based, view Israel as a rare "kindred soul" and a complementary economy in the region.

While all these considerations played a role in Bahrain's decision to formalize relations with Israel in 2020, Iran, and fear of the kingdom's Shi'i population, are by far the most significant and immediate concerns. While Iran is a challenge for U.A.E., it is also an important trading partner, and Emirati policy towards Tehran reflects this complexity. For Bahrain, Iran is perceived as an existential external, as well as domestic security, threat. It is perceived as pursuing a long-term strategy of destabilizing and toppling the Bahraini regime - fostering terrorist cells in Bahrain since 1979, as well as domestic opposition - and still reportedly has substantial support among the local Shi'a. It regularly refers to Bahrain in a revanchist way, as its fourteenth province. In the wider context, Bahrain also sees itself as key to Saudi Arabia's security, as well as that of U.A.E. and the other GCC states, since it is the "geostrategic shield" that protects them from Iran.

Bahrain and Israel had a covert bilateral relationship before normalization in 2020; it was based mainly on concern with Iran's subversion and aggressive regional policy, and fear of Shi'i ferment, and the resulting desire for Israeli security assistance and technology. There was an official Israeli representation office, staffed by Israeli diplomats and working with the government but under commercial cover, in Manama since 2009; and the close relationship between the intelligence services predated that. Bahrain overtly expressed positive positions towards Israel (including discreet meetings with Israeli ministers), and a hostile one towards Hizballah and Hamas, for some twenty years.<sup>3</sup>

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<sup>&</sup>lt;sup>3</sup> Barak Ravid, *Trump's Peace: the Abraham Accords and the Reshaping of the Middle East* [in Hebrew] (Rishon Lezion: Miskal, 2022), pp. 251-269; Abdullah bin Ahmed Al Khalifa, stated in February 2022 that Mossad is active in Bahrain, <u>"Senior Bahraini diplomat says Mossad active in his country, boosting security," Times of Israel</u>, February 21, 2022.

The perceived Bahraini need for Israeli assistance in facing the multifaceted threat from Iran, is reinforced by concern (shared throughout the Gulf region) about American disengagement from the region. This includes the weak American line towards Iran, especially regarding the nuclear talks, which could lead to sanctions on Iran being lifted, and what is perceived as a lack of American resolve in responding to Iranian and proxy attacks on U.S. allies in the region. As Hasan Alhasan of the International Institute for Strategic Studies Manama office notes: "Iran deserves much of the credit for pushing Bahrain and the U.A.E. closer to Israel ... The future trajectory of the Abraham Accords depends largely on Iran; the more aggressive Iran grows, the more likely it is to push states in the region to shed their historical inhibitions and coalesce with Israel against it."4

Bahraini analysts explain the apparent dichotomy in American policy between perceived openness towards Iran and indifference towards the concerns of conservative Gulf states, in political/personal terms. As one knowledgeable Bahraini put it succinctly: "this part of the world does not trust Democrats in the White House: we suffered immensely in 2011", referring to U.S. criticism of the Saudi-Emirati intervention against mass demonstrations in Bahrain and Bahraini elite perceptions that the Obama Administration desired the fall of the regime.<sup>5</sup>

Another aspect of Bahraini official normalization, is that the Kingdom is much more closely associated with Saudi Arabia, and dependent on it, than U.A.E. is (it also enjoys close relations with the latter). As such, the content and timing of its normalization was reportedly closely coordinated with Riyadh. Even before the Abraham Accords, the government in Manama (including the King) had reportedly been ready for normalization, and bilateral relations had developed to almost their utmost level. Manama "didn't want to go first", but did not need encouragement to follow the U.A.E.; it did need, and received, the nod from Saudi Arabia.<sup>6</sup>

#### Bahrain and Israel: Bilateral Relations

The bilateral relations, especially regarding trade (\$6.5 million in 2021 – slightly more than half of one percent of that with U.A.E.),<sup>7</sup> cooperative ventures, and Israeli investment and tourism, are progressing slowly. There are significant opportunities for Israeli firms and joint ventures, especially in fintech (the Bahraini financial sector

<sup>&</sup>lt;sup>4</sup> Debbie Mohnblatt, "Greater Iranian Threat Brings Abraham Accords Countries Closer, Experts Say," *The Media Line*, March 29, 2022.

<sup>&</sup>lt;sup>5</sup> In personal conversations with the author, late March 2022.

<sup>&</sup>lt;sup>6</sup> In personal conversations with the author, late March 2022.

<sup>&</sup>lt;sup>7</sup> Israel Central Bureau of Statistics, <u>Trade Countries: Imports and Exports</u>. This figure does not include tourism, or trade in services.

is highly developed and on a par with the energy sector in terms of contribution to GDP) and health care.

There are important differences between Bahrain and U.A.E., which are reflected in the scope of their economic relations with Israel. Bahrain is the much smaller state (1.7 million inhabitants versus some 10 million). Its economy is a fraction of that of its larger ally: exports are some 12 percent of those of U.A.E., and imports are some 15 percent. The Bahraini economy is also largely dependent on Saudi Arabia, which transfers to Bahrain its 50 percent share (and in some years more than its official share)<sup>8</sup> of the income from Aramco's production at their shared Al-Shafaa oil field, and whose citizens make up the lion's share of visitors to Bahrain.

But there are more specific reasons why economic relations with Bahrain are limited, even taking into account the differences of scale vis-à-vis U.A.E. One reason is the very success and allure of the connection with U.A.E., which may make less advanced and globalized (and more "Arab") Bahrain less attractive. Another is the significant clash of business and national cultures (also remarked upon in U.A.E.); one senior Bahraini wryly noted to me ""the Israelis are coming here after being excluded for 70 years: they don't realize that we didn't spend those years just waiting for them." There are also reportedly bureaucratic hurdles on the Israeli side: a bilateral tax agreement has been delayed, due to fears by the Israeli Finance Ministry that Bahrain will become an offshore tax haven for Israeli businessmen; and visas for Bahrainis are issued sparingly (a perennial problem also in relations with Jordan).

Several senior Bahrainis note that the kingdom "was the only of the Abraham Accords countries which didn't get anything": Morocco received recognition of their claim to Western Sahara, Sudan was removed from the U.S. terror list and forgiven its loans, and U.A.E. received significant arms deals. 10 This perception is, however, somewhat overdrawn: The formalized relationship with Israel, combined with Israel's shift to the area of responsibility of the U.S. Central Command (see below), has greatly strengthened Bahrain's security position and deterrence vis-à-vis Iran, as it has stressed and operationalized its close alignment with two militarily powerful actors

<sup>&</sup>lt;sup>8</sup> Eckart Woertz, *Bahrain's Economy: Oil Prices, Economic Diversification, Saudi Support, and Political Uncertainties*, CIDOB – Barcelona Center for International Affairs, February 2018. Hopes that Bahrain would be able to develop a massive new offshore oil field in Khalij al-Bahrain, first announced in 2018, seem to be dimming with the recent decision to suspend its development due to technological challenges and lack of economic viability ("Bahrain Unconventional Ambitions Fade Away," *Middle East Economic Survey*, May 20, 2022)

<sup>&</sup>lt;sup>9</sup> Barak Ravid, "Bennett returned from Bahrain 'enamored', but there are many problems which require solution" [in Hebrew], *Walla*, February 18, 2022.

<sup>&</sup>lt;sup>10</sup> In personal conversations with the author, late March 2022.

(both Bahrain and Israel are defined by the U.S. as Major Non-NATO Allies). As Interior Minister General Shaykh Rashid bin Abdullah Al Khalifa noted: "Our strategy is based on layers of security... That means we depend on our allies like the United States and now the Abraham Accords is another layer to strengthen the security."<sup>11</sup>

#### The Military and Security Dimension

The Israeli Foreign Minister made a state visit to Manama in September 2021, Defense Minister Benny Gantz in February 2022, Prime Minister Bennett less than two weeks later, and IDF Chief of General Staff Aviv Kochavi on March 10.

Military cooperation has developed at a relatively high tempo. In November 2021, the U.S., Israel, Bahrain and U.A.E. carried out a five-day multilateral maritime security operations exercise in the Red Sea. During Gantz's February visit, the two sides signed an MOU on intelligence cooperation, military-to-military co-operation (including exercises), and cooperation between the countries' defense industries. Gantz was accompanied by the commander of the Israeli Navy, and also met with the commander of the U.S. Fifth Fleet in Manama. Kochavi was accompanied on his visit by the head of the IDF Strategic Division and "Third Circle" Command, responsible for Iran, who had openly met with Bahraini officials before. In February, Israeli ships participated for the first time in the International Maritime Exercise (IMX), led by the U.S. Fifth Fleet, in which forces from countries with which Israel does not have relations participated as well.

Some of these developments may have an organizational/bureaucratic explanation: Israel moved on September 1, 2021, to the U.S. Central Command's (CENTCOM) area of responsibility. The ensuing increased cooperation, exercises, and liaison with American forces located in the Gulf (including the posting of an Israeli naval officer to NAVCENT/Fifth Fleet headquarters in Manama)<sup>12</sup> – the product of a commendable enthusiasm on both sides to operationalize the new connection – has created the impression of a militarization of the Israeli presence in the region. However, there is also a clear strategic rationale, and a deterrence message consciously directed at Iran. Military cooperation with Bahrain puts Israel within striking distance of Iran, and may be viewed as a counter to Iran's forward bases in Syria and Lebanon.

Israel is reportedly discussing with its Gulf partners development of regional antimissile and anti-UAV early-warning and interception systems, based on Israeli

<sup>&</sup>lt;sup>11</sup> Nicole Jansezian, "Bahrain interior minister to Evangelicals: Iran first, second, third threat," *All Arab News*, April 25, 2022.

<sup>&</sup>lt;sup>12</sup> "<u>Israeli Navy officer to be permanently stationed in Bahrain – report,</u>" *Jerusalem Post*, February 12, 2022.

technology. Defense Minister Gantz informed members of the Knesset recently about the existence of an already-operative initiative, called the Middle East Air Defense Alliance, which is working together with the U.S. against Iranian missiles, rockets and unmanned drones; he did not specify which Arab states were involved. A senior Israeli defense official said that the members of the alliance are developing a communication system that allows each partner to warn one another in real time about incoming drones from Iran and its proxies.<sup>13</sup> Indeed, diplomats in the Gulf expressed concern about the high profile ("overexposure") of the security relationship, in a time when Iran and its proxies have carried out attacks against countries in the region, and wondered if Manama is not tempting Tehran.<sup>14</sup> It is worth noting that Iran has threatened Bahrain as a result of these developments.<sup>15</sup>

### Public Support in U.A.E. and Bahrain for the Normalization with Israel

A majority in Bahrain are assessed to be unhappy with normalization. David Pollock's recent study of Bahraini public opinion for the Washington Institute showed that only 39 percent of respondents had a strongly negative view of the normalization accords. However, that study shows that 20 percent had a very or somewhat positive view and there was a drop - from 44-45 to 18-20 percent - in the past two years in the percentage who say that the Abraham Accords will have "a positive effect on the region." Local observers divided the anti-normalizers into three groups: the majority of the Shi'a (especially pro-Iranians and supporters of al-Wifaq); older Arab nationalists, many of whom were educated in front-line Arab states, and religious individuals (who see the relations as *haram*); and "woke," pro-Palestinian youth (the universities are reported to be a stronghold of anti-normalization sentiment). The hardline anti-normalizers are assessed at 30-35 percent, with another large group opposed but largely indifferent.

Several sources noted that the majority's opposition to normalization is not deeply held, and based on "second-hand emotions" and empathy with the Palestinians, and that while the majority may be unhappy, they would not be willing to confront the state on the issue. It was noted, too, that some who support normalization may not express that openly for fear of ostracism. On the other hand, it was noted that the large percentage of the population who work in the public sector (approximately 37)

<sup>&</sup>lt;sup>13</sup>Patrick Kingsley and Ronen Bergman, "Israel Confirms Regional Military Project, Showing Its Growing Role," *New York Times*, June 20, 2022.

<sup>&</sup>lt;sup>14</sup> In personal conversations with the author, late March 2022.

<sup>&</sup>lt;sup>15</sup> Michael Segall, "I<u>ran Threatens: We Won't Hesitate to Fire Missiles at Bahrain</u>," *Jerusalem Center for Public Affairs Vol. 22, No. 7*, April 10, 2022.

<sup>&</sup>lt;sup>16</sup> David Pollock, "Bahrain Polls Shows Sharper Sectarian Split on Iran, Less Hope on Israel Peace," Fikra Forum, The Washington Institute for Near East Policy (WINEP), January 14, 2022.

percent of employed Bahraini nationals) are probably neutral or supportive of government policy towards Israel.<sup>17</sup>

The feeling among Bahraini elite circles is that the kingdom is overshadowed by the Israeli fascination with U.A.E. and Morocco, and, apart from the extremely significant defense and security cooperation realm, is largely ignored. Bahraini interlocutors note that Bahrain is actually a more relevant prototype for Israel for future normalization with other Arab states, since it is more typical (with  $\sim 50$  percent of the population Bahrainis) than U.A.E. (with more than 85 percent of the population expatriates). The "fruits of peace," they opine, are not at all apparent to the people; there is a serious risk of the "Egyptian scenario" of cold peace. The normalization process in general is perceived as only helping security forces and authoritarians, not people.<sup>18</sup>

Part of this is due to the fact that the Bahraini government does not generally explain its policies to the public, and this is true of the Abraham Accords as well. The signing of the agreement with Israel was announced with a general justification, but the regime has not communicated the strategic rationale in detail. The merits of normalization were not made clear. There does not currently seem to be an effort or plan to expand the relations from the government-to-government to the people-to-people level. This may be due to innate conservatism and risk aversion of the government. There is reportedly a widespread assumption among the public that Bahrain was coerced into the normalization, since there is little awareness of the extent and depth of the discreet bilateral relations before the Abraham Accords.

In an article written by an Israeli and a Bahraini supporter of normalization, they note that:

Having been isolated for long, Israelis now seek to explore the cultures of their Arab neighbors. They also wish to extend a warm welcome to the people of the Abraham Accords—but may not have the cultural awareness of how to do so ... Both parties operate differently and are subject to different internal sensitivities ... it is essential to repeatedly calibrate and

<sup>&</sup>lt;sup>17</sup> In personal conversations with the author, late March 2022.

In personal conversations with the author, late March 2022. There is government awareness of this danger: on the margins of the Negev Summit, the foreign ministers of the two states <u>signed a bilateral ten-year</u> "Joint Warm Peace Strategy", aimed at strengthening cooperation through specific programs to increase the volume of trade and enhance communication between the peoples of the two countries, with a focus on youth. The main sectors to be focused on include innovation, trade and investment, food and water security, climate change, renewable energy, healthcare, educational and academic cooperation, digital security, and tourism (Mandi Kogosowski, "Israel, Bahrain to established bilateral 'Joint Warm Peace Strategy' 10-year plan." Israel Defense, February 16, 2022).

measure the temperature when developing new nodes of cooperation—these relationships must be built slowly and carefully to allow for the development of real roots. Either side could become disillusioned if too quick a pace prompts a "visible storm" or fails to meet unrealistic expectations.<sup>19</sup>

A significant challenge to bilateral relations, and certainly to the improvement of "people-to-people" relations, is the Israeli-Palestinian issue, and, more concretely, the issue of Jerusalem and the Haram al-Sharif/Temple Mount. Events in the mosque complex, and especially images in social media, led to public anger in Bahrain: there were quiet demonstrations in Manama during the May 2021 and April-May 2022 disturbances in Jerusalem. Bahraini Foreign Ministry officials condemned what they termed the "storming" of the Al-Aqsa Mosque by Israeli police; and condemned the killing of journalist Shireen Abu Akleh in Jenin in May 2022, and demanded an immediate comprehensive investigation. Manama continues to stress its continued support for a Palestinian state in the June 4, 1967 borders, with its capital as East Jerusalem. <sup>20</sup>

## **Analysis and Conclusion**

Normalization between Israel and some of the Arab states is a part – albeit a crucial one – of a greater regional evolution and reshaping, which in its turn is a result of greater global dynamics. The most important of these is the U.S. retrenchment, and the metamorphosis of the thirty-year American-based regional security architecture into one more grounded in the region itself, with significant penetration by China and Russia. This emerging regional order is based (like the previous one), on "like-minded" partnerships and alignments, not formal alliances. A "Middle East NATO," which includes formal commitments from its members to come to each other's defense, is not likely.

The normalization process, when it began, was fervidly expected to continue to sweep the Arab and Muslim world: among the states with whom formal relations were mentioned as imminent by senior Israeli and Trump Administration officials, were

<sup>&</sup>lt;sup>19</sup> Nir Boms and Ahmed Khuzaie, "<u>Warm Peace and the Challenge of People to People Relations after the Abraham Accords.</u>" Fikra Forum, Washington Institute for Near East Policy (WINEP), April 15, 2022.

<sup>20 &</sup>quot;Bahrain condemns Israeli police storming of Al-Aqsa Mosque, calls for calm," Bahrain News Agency, April 16, 2022; "Bahrain condemns killing of Palestinian journalist Shireen Abu Akleh," Bahrain News Agency, May 11, 2022, and "Bahrain promotes role as active partner for peace," DT News, May 27, 2022.

Saudi Arabia, Oman, Mauritania, Niger, Comoros, and Tunisia, with Qatar, Indonesia, Malaysia and even Pakistan mentioned as possibilities.<sup>21</sup> It seems, however, to have paused, though the upcoming visit in July by President Biden to the region has been accompanied by hints of substantial new developments.<sup>22</sup> After the "low-hanging fruit" of distant countries with close non-overt ties with Israel, conservative external policies, and less significant public opinion, were "collected", those Muslim states remaining are a much more difficult proposition. The end of the Trump Administration, which encouraged and rewarded the formalizers, and what seemed like initial coldness of the Biden Administration towards the process, also contributed to the loss of momentum. Sudan has not progressed significantly with the formalizing of its relations with Israel, due to its tempestuous domestic politics (the U.S. recently suspended assistance to Sudan, including that related to its normalization with Israel, and called on Israel to "vocally press" Sudan's military leaders to cede power to a credible civilian-led transitional government).<sup>23</sup> Saudi Arabia has unquestionably moved much closer to Israel: several regional experts described it as the "secret partner to the Abraham Accords", it is opined that since Saudi Arabia is an ally of Bahrain and U.A.E., and they are now allies of Israel, there is now an "indirect alliance" between Israel and Saudi Arabia. It remains to be seen whether reports of an American "road-map" for Saudi-Israeli normalization<sup>24</sup> will be confirmed during Biden's visit. In any case, Gulf experts do not expect full normalization between the two until Crown Prince Mohammed bin Salman ascends to the throne and cements his rule.<sup>25</sup> It is also likely that the political crisis in Israel, which will probably lead to a different governing coalition in the fall, will affect the pace and content of the normalization process, though the direction is not clear.

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<sup>&</sup>lt;sup>21</sup> See for: example: Tovah Lazaroff, "<u>Intelligence Minister: Additional peace deals prior to Trump exit unlikely,</u>" *Jerusalem Post*, December 23, 2020; Rina Bassist, "<u>Comoros could be next to normalize ties with Israel,</u>" *al-Monitor*, October 19, 2021; and "<u>Israel working towards normalization with Indonesia, Saudi Arabia,</u>" *i24News*, January 3, 2022.

<sup>&</sup>lt;sup>22</sup> "Barbara Leaf hints at Abraham Accords developments," *The National*, June 22, 2022.

<sup>&</sup>lt;sup>23</sup> Ron Kampeas, "Biden administration suspends Abraham Accords assistance to Sudan, urges Israel to call for democracy" *JTA*, May 30, 2022.

<sup>&</sup>lt;sup>24</sup> Barak Ravid, "Scoop: U.S. working on normalization "road map" for Saudi Arabia and Israel," Axios, June 22, 2022.

<sup>&</sup>lt;sup>25</sup> In personal conversations with the author, late March 2022.

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